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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

Re: MM Docket No. 91-221  
MM Docket No. 87-7

Dear Mr. Caton:

On behalf of Malrite Communications Group, Inc., there is transmitted herewith and filed an original and nine (9) copies of its "Comments in Response to Second Further Notice of Proposed Rulemaking" in the above-referenced dockets.

Should there be any questions concerning this matter, kindly communicate directly with the undersigned.

Very truly yours,

KAYE, SCHOLER, FIERMAN,  
HAYS & HANDLER, LLP

By:

  
Bruce A. Eisen

Enclosure

BEFORE THE  
**Federal Communications Commission**  
WASHINGTON, D.C. 20554

7 1977  
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In the Matter of )  
 )  
Review of the Commission's Regulations )  
Governing Television Broadcasting ) MM Docket No. 91-221  
 )  
Television Satellite Stations )  
Review of Policy and Rules ) MM Docket No. 87-7

TO: The Commission

COMMENTS OF  
MALRITE COMMUNICATIONS GROUP, INC.  
IN RESPONSE TO SECOND FURTHER NOTICE  
OF PROPOSED RULEMAKING

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## SUMMARY

The Commission seeks comments with regard to possible new rules regarding local television ownership, a matter that has been mandated by the United States Congress. The agency has an opportunity to advance television broadcasting and to help implement an industry ownership structure for the twenty-first century that can be more responsive to the public and which can transform failing stations into solid broadcast facilities.

The Commission should substantially liberalize the television duopoly rule to allow UHF/UHF combinations within the same television market because such action would partially neutralize the continued disadvantage of UHF television stations at the hands of their VHF counterparts. UHF/UHF television station duopolies should be permitted within the scope of the television ownership rule and without the need for a waiver. Moreover, where ownership of a UHF television station and a VHF television station in the same market would likely preserve an otherwise failing UHF station, at the very least the Commission should review requests for waivers upon a showing that the public

interest will be served without any significant diminishment of diversity. As the Commission has noted with regard to Alaska and Hawaii, the Commonwealth of Puerto Rico should also be considered as a special case where VHF/VHF duopolies should be allowed because of the unique terrain problems that severely limit television signals in the market.

The Commission should grandfather all LMAs in such a way that renewals and transfers of grandfathered LMAs should be permitted. In so doing, the Commission would not abrogate the rights of contracting parties who had negotiated in good faith, likely spent significant funds, and whose contemplated transactions were calculated to serve the public interest. Another conclusion would run afoul of the Congressional intent underlying the Telecommunications Act of 1996.

Finally, the Commission should continue to exempt valid television satellite stations from broadcast ownership restrictions in the face of such a station's likely failure absent an exemption.